

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4657-02
Bill No.: HB 1580
Subject: Education, Elementary and Secondary; Elementary and Secondary Education
Department
Type: Original
Date: January 6, 2016

Bill Summary: This proposal requires the Department of Elementary and Secondary Education to establish a grant program to extend instructional time in underperforming school districts.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
General Revenue	(Could exceed \$100,000)	(Could exceed \$100,000)	(Could exceed \$100,000)
Total Estimated Net Effect on General Revenue	(Could exceed \$100,000)	(Could exceed \$100,000)	(Could exceed \$100,000)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Extended Learning Fund *	\$0	\$0	\$0
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

* Transfers in from General Revenue and grants to schools net to zero.

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on FTE	0	0	0

- ☒ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any Of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Local Government*	\$0	\$0	\$0

*Transfer in from Extended Learning Fund and reimbursement of expenses net to zero.

FISCAL ANALYSIS

ASSUMPTION

Oversight notes this proposal implements a grant program to extend instructional time in underperforming districts for the purpose of improving academic achievement.

Officials at the **Department of Elementary and Secondary Education (DESE)** assume this proposal has an undeterminable impact on the state, as well as local school districts. It is unclear which districts would qualify as underperforming. The term is not defined. Should it be determined which districts are "underperforming", it cannot be estimated to what extent the districts will commit to extended instructional time. DESE will incur costs to develop and implement the grant program; however, the extent of the grant program cannot be determined.

Oversight assumes this proposal creates the Extended Learning Fund that can have money appropriated to it and receive gifts, bequests, and public or private donations. The Fund is to be used to help pay the costs of the extended learning. Oversight assumes that all money received by the Fund will be used upon receipt.

Oversight notes this proposal gives priority for grants awarded to the unaccredited and provisionally accredited school districts. There are two unaccredited districts (Normandy and Riverview Gardens) and five provisionally accredited districts (Calhoun, Hayti, Hickman Mills, Kansas City and St. Louis City). This program is voluntary and the grants are awarded in proportion to the amount of additional instruction time.

Oversight will show the impact to General Revenue as could exceed \$100,000.

Officials at the **Office of the State Treasurer** assume there is no fiscal impact from this proposal.

Officials at the **Kansas City and Riverview Gardens School Districts** each assume there is no fiscal impact from this proposal to their respective districts.

<u>FISCAL IMPACT - State Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
GENERAL REVENUE			
<u>Transfer Out</u> - Extended Instructional Time Fund §162.1265	(Could exceed <u>\$100,000</u>)	(Could exceed <u>\$100,000</u>)	(Could exceed <u>\$100,000</u>)
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	(Could exceed <u>\$100,000</u>)	(Could exceed <u>\$100,000</u>)	(Could exceed <u>\$100,000</u>)
 EXTENDED LEARNING FUND			
<u>Transfer In</u> - from General Revenue	Could exceed \$100,000	Could exceed \$100,000	Could exceed \$100,000
<u>Revenue</u> - gifts, bequests, and contributions	Could exceed \$100,000	Could exceed \$100,000	Could exceed \$100,000
<u>Costs</u> - DESE - for costs to develop/administer the grant program	(Could exceed \$100,000)	(Could exceed \$100,000)	(Could exceed \$100,000)
<u>Transfer Out</u> - School Districts - grants for extended instructional time	(Could exceed <u>\$100,000</u>)	(Could exceed <u>\$100,000</u>)	(Could exceed <u>\$100,000</u>)
ESTIMATED NET EFFECT ON EXTENDED LEARNING FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
LOCAL SCHOOL DISTRICT FUNDS			
<u>Transfer In</u> - from Extended Instructional Time Fund	Could exceed \$100,000	Could exceed \$100,000	Could exceed \$100,000
<u>Costs</u> - School Districts - grants for longer school day	(Could exceed <u>\$100,000</u>)	(Could exceed <u>\$100,000</u>)	(Could exceed <u>\$100,000</u>)
ESTIMATED NET EFFECT ON LOCAL SCHOOL DISTRICT FUNDS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

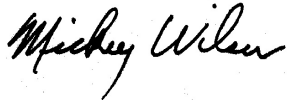
This bill requires DESE to develop and implement a grant program to extend instructional time in underperforming districts for the purpose of improving academic achievement including, but not limited to, early childhood education. DESE must develop guidelines for grant applications and establish priorities for grant distribution. The amounts awarded in grant moneys must be proportional to the amount the additional instruction time exceeds the required minimum hours of attendance and average daily attendance rate of the affected students. Unaccredited districts and provisionally accredited districts must receive priority for grants awarded under these provisions.

The Extended Learning Fund is created consisting of all moneys that may be appropriated to it by the General Assembly and may include any gifts, contributions, grants, or bequests received from federal, state, private, or other sources. Upon appropriation, moneys in the fund are to be used solely for the implementation of the extended instructional time program.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Elementary and Secondary Education
Kansas City Public Schools
Office of the State Treasurer
Riverview Gardens School District

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
January 6, 2016

Ross Strobe
Assistant Director
January 6, 2016